

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

SW-04305A
Coronado Utilities, Inc.
6825 E. Tennessee Avenue, Suite 547
Denver, CO 80224

RECEIVED

ARIZONA CORP COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN05	06
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5-16-07

COMPANY INFORMATION

Company Name (Business Name) <u>Coronado Utilities, Inc.</u>		
Mailing Address <u>c/o Pivotal Companies, 6825 E Tennessee Avenue, Suite 547</u>		
<u>Denver</u> (City)	<u>CO</u> (State)	<u>80224</u> (Zip)
<u>303-333-1250</u> Telephone No. (Include Area Code)	<u>303-333-1257</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u>jw@pivotalcompanies.com</u>		
Local Office Mailing Address <u>3225 N. Central Avenue</u>		
<u>Phoenix</u> (City)	<u>AZ</u> (State)	<u>85367</u> (Zip)
<u>602-227-4792</u> Local Office Telephone No. (Include Area Code)	<u>602-266-9604</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u></u>		

MANAGEMENT INFORMATION

Management Contact <u>Jason Williamson</u>		Manager	
(Name)		(Title)	
<u>6825 E. Tennessee Avenue, Suite 547</u> (Street)	<u>Denver</u> (City)	<u>CO</u> (State)	<u>80224</u> (Zip)
<u>303-333-1250</u> Telephone No. (Include Area Code)	<u>303-333-1257</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address <u>jw@pivotalcompanies.com</u>			
On Site Manager: <u>Jason Williamson</u>			
(Name)			
<u>6825 E. Tennessee Avenue, Suite 547</u> (Street)	<u>Denver</u> (City)	<u>CO</u> (State)	<u>80224</u> (Zip)
<u>303-333-1250</u> Telephone No. (Include Area Code)	<u>303-333-1257</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address <u>jw@pivotalcompanies.com</u>			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>CT Corporation</u>			
(Name)			
<u>3225 N. Central Avenue</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85012</u>
(Street)	(City)	(State)	(Zip)
<u>602-277-4792</u>	<u>602-266-9604</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: <u>Jay Shapiro</u>			
(Name)			
<u>3003 N. Central Avenue, Suite 2800</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85012-2913</u>
(Street)	(City)	(State)	(Zip)
<u>928-284-5300</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|-------------------------------------------------|--------------------------------------------------------------------------------------|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|-------------------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	5,194.00	130.00	5,064.00
352	Franchises			
353	Land and Land Rights	249,999.00	0.00	249,999.00
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity			
362	Special Collecting Structures	1,600.00	40.00	1,560.00
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equip.	1,753,197.00	43,830.00	1,709,367.00
381	Plant Sewers			
382	Outfall Sewer Lines	283,058.00	7,077.00	275,981.00
389	Other Plant and Misc. Equipment	113,691.00	2,842.00	110,849.00
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	2,406,739.00	53,919.00	2,352,820.00

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	5,194.00	5%	130.00
352	Franchises			
353	Land and Land Rights	249,000.00	0%	0.00
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity			
362	Special Collecting Structures	1,560.00	5%	40.00
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equip.	1,753,197.00	5%	43,830.00
381	Plant Sewers			
382	Outfall Sewer Lines	283,058.00	5%	7,076.00
389	Other Plant and Misc. Equipment	113,691.00	5%	2,842.00
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	2,405,700.00		53,918.00

This amount goes on the Comparative Statement of Income and Expense Acct. 403

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	840.00	2,221,524.00
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		59,060.00
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		244,316.00
	TOTAL CURRENT AND ACCRUED ASSETS	840.00	2,524,900.00
	FIXED ASSETS		
101	Utility Plant in Service		2,406,739
103	Property Held for Future Use		
105	Construction Work in Progress	123,527.00	0.00
108	Accumulated Depreciation – Utility Plant		53,918.00
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	123,527.00	2,352,821.00
	TOTAL ASSETS	124,367.00	4,877,721.00

NOTE: Total Assets on this page should equal **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct · No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	7,193.00	736,749.00
232	Notes Payable (Current Portion)	50,000.00	
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		52,653.00
236	Accrued Taxes		54,624.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	57,193.00	844,026.00
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	0.00	2,801,899.00
	DEFERRED CREDITS		
252	Advances in Aid of Construction		
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		249,999.00
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS		249,999.00
	TOTAL LIABILITIES	57,193.00	3,895,924.00
	CAPITAL ACCOUNTS		
201	Common Stock Issued	0.00	570,000.00
211	Other Paid in Capital	74,293.00	314,328.00
215	Retained Earnings	-7,119.00	97,559.00
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	67,174.00	981,797.00
	TOTAL LIABILITIES AND CAPITAL	124,367.00	4,877,721.00

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues		206,757.00
522	Measured Revenues		63,157.00
536	Other Wastewater Revenues		103,925.00
	TOTAL REVENUES		373,839.00
	OPERATING EXPENSES		
701	Salaries and Wages		
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		
715	Purchased Power		
716	Fuel for Power Production		
718	Chemicals		
720	Materials and Supplies		1,553.00
731	Contractual Services – Professional		8,535.00
735	Contractual Services – Testing		
736	Contractual Services – Other		103,609.00
740	Rents		
750	Transportation Expense		
755	Insurance Expense		11,541.00
765	Regulatory Commission Expense		
775	Miscellaneous Expense		1,832.00
403	Depreciation Expense		53,918.00
408	Taxes Other Than Income		45.00
408.11	Property Taxes		
409	Income Taxes		
	TOTAL OPERATING EXPENSES		186,033.00
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		158.253.00
	TOTAL OTHER INCOME/EXPENSE		158.253.00
	NET INCOME/(LOSS)		29,553.00

COMPANY NAME **Coronado Utilities, Inc.**

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

COMPANY NAME Coronado Utilities, Inc.

WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Aerobic and Anaerobic lagoons with primary clarifier
DESIGN CAPACITY OF PLANT (Gallons Per Day)	800,000 GPD

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Mobil Manor Ocotillo Street	2	4.5	480	2114
Airport Lift Station, Airport Road	2	4.5	480	897

FORCE MAINS

Size	Material	Length (Feet)
4-inch		
6-inch		

MANHOLES

Type	Quantity
Standard	314
Drop	

CLEANOUTS

Quantity

COMPANY NAME Coronado Utilities, Inc.

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4		
6	Clay	44,973
8	Clay	35,068
10	Clay	6,275
12	Clay	2,350
15	Clay	10,485
18		
21		
24		
30		

SERVICES

Size (in inches)	Material	Quantity
4		
6		
8		
12		
15		

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY

SOLIDS PROCESSING AND HANDLING FACILITIES	Primary clarifier/bar screen Sludge digesting facility and drying beds
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	N/A
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
STRUCTURES (Buildings, Fences, Etc.)	Operations building
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Process and testing equipment/backhoe/utility Truck/pressure washer/flow meters

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
January	*	8,008,000	280,000
February	*	7,026,000	279,000
March	*	7,986,000	309,000
April	*	7,568,000	309,000
May	1	6,751,000	258,000
June	1,315	7,468,000	287,000
July	1,308	8,762,000	1,329,000
August	1,302	8,147,000	380,000
September	1,301	7,568,000	307,000
October	1,302	8,117,000	301,000
November	1,293	7,562,000	274,000
December	1,291	8,003,000	296,000

* Utility began operation May 1, 2006

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Evaporation ponds
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	N/A – mining APP
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	N/A
ADEQ Reuse Permit Number	N/A
EPA NPDES Permit Number	N/A

STATISTICAL INFORMATION

Total number of customers	1,291	
Total number of gallons treated	92,966,000	gallons

Coronado Utilities, Inc.
YEAR ENDING 12/31/2006
INCOME TAXES

Federal Taxable Income Reported	<u>\$ 151,329.00</u>
Estimated or Actual Federal Tax Liability	<u>42,268.00</u>
State Taxable Income Reported	<u>\$ 162,706.00</u>
Estimated or Actual State Tax Liability	<u>11,332.00</u>

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

DATE 5/9/07

**Manager
TITLE**

COMPANY NAME

**Coronado Utilities, Inc.
YEAR ENDING 12/31/2006**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 0.00

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

Utility commenced operations on 5/1/06 and filed its first Property Tax Form for Tax Year 2008 in April 2007

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF COLORADO

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	DENVER
NAME (OWNER OR OFFICIAL) TITLE	Jason P. Williamson, Manager
COMPANY NAME	Coronado Utilities, Inc.

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

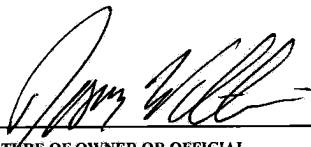
MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

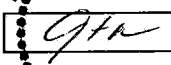
I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

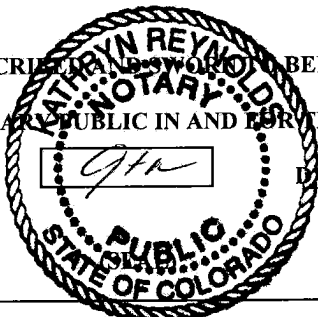
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.




SIGNATURE OF OWNER OR OFFICIAL
303-333-1250

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS  DAY OF



COUNTY NAME	DENVER
MONTH	MAY, 2007



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

2/13/11

VERIFICATION

**AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF COLORADO

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	CITY AND COUNTY OF DENVER
NAME (OWNER OR OFFICIAL) TITLE	Jason Williamson, Manager
COMPANY NAME	Coronado Utilities, Inc.

12 CORP COMM
Director Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 373,839.00

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



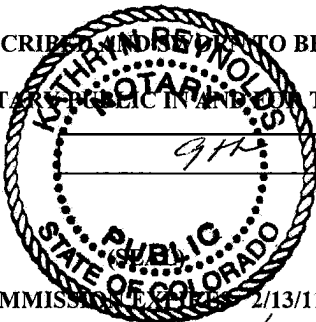
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER


SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 9th **DAY OF**



COUNTY NAME	CITY AND COUNTY OF DENVER
MONTH	MAY , 20 <u>07</u>



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 2/13/11

My Commission Expires 2/13/11

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

VERIFICATION

STATE OF COLORADO

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	CITY AND COUNTY OF DENVER	
NAME (OWNER OR OFFICIAL)	Jason Williamson	TITLE Manager
COMPANY NAME	Coronado Utilities, Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

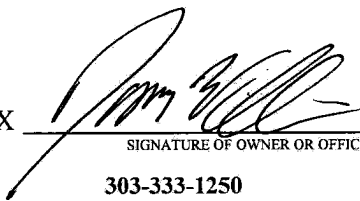
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

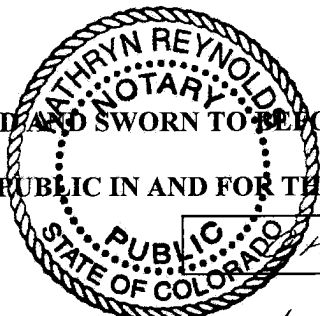
ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 373,839.00

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X 
SIGNATURE OF OWNER OR OFFICIAL
303-333-1250
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS

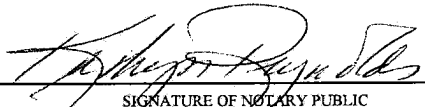


(SEAL)

My Commission Expires 2/13/11

MY COMMISSION EXPIRES 2/13/11

NOTARY PUBLIC NAME	KATHRYN REYNOLDS	
COUNTY NAME	CITY AND COUNTY OF DENVER, STATE OF COLORADO	
MONTH	MAY	2007

X 
SIGNATURE OF NOTARY PUBLIC